

***Amended**
EXECUTIVE COUNCIL OF IOWA AGENDA

State Capitol - Robert D. Ray Conference Room (G09) 10:00 a.m.

MAY 20, 2013

1. Introduction of Attendees
2. Approval of minutes of meeting held May 13, 2013
3. Personal Appearance –
 - A. Ed Holland, Department of Administrative Services, Human Resources Enterprise will be present to request approval of the following:

Approve the FY 2014 health and dental premiums, including the State and Employee contribution levels which were negotiated with the State Police Officer's Council.

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4. Outside Counsel – Page 1
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5. Emergency Allocations – Page 1
6. Payment of Cost Items – Pages 1 - 3

4. Outside Counsel

- A. The Department of Justice, Attorney General's office requests retention of special counsel to provide legal advice to the Insurance Commissioner on rulemaking obligations under the Federal Patient Protection and Affordable Care Act.

Firm: Jones Walker
Attorney: Robert B. House
190 East Capitol Street
Suite 800
Jackson, Mississippi 39201
Rate: \$300.00 per hour*
TAB # 2

5. Emergency Allocations

- A. Iowa Communications Network is requesting a supplemental emergency allocation in the amount of \$229.86 to cover total costs of repairs. On February 7, 2012 the fiber optic cable in Shelby County along Highway 59 north of Harlan was damaged due to gopher chew.

The State Auditor's Office has reviewed this request and recommends allocation, subject to audit of actual invoices and supporting documentation and demonstration that no costs covered by the maintenance contract have been included.

6. Payment of Cost Items

- A. Wandro & Associates, P.C.\$2,425.00
2501 Grand Avenue, Suite B
Des Moines, IA 50312
Unclaimed Property Probate Matters

Julie Pottorff, Deputy Attorney General, has reviewed this invoice and recommends payment. Payment will be made from the Unclaimed Property Fund.

- B. Nyemaster, Goode, West, Hansell & O'Brien, P.C.....\$1,952.95
700 Walnut Street
Suite 1600
Des Moines, IA 50309
Collections of Accounts in Court

Julie Pottorff, Deputy Attorney General, has reviewed these invoices and recommends payment. Payment will be made from the funds of the Department of Economic Development.

- C. Patterson Law Firm L.L.P..... \$96.00
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
Donald D. Bordwell, Jr. v. Fort Dodge Correctional Facility and the Second Injury
- D. Patterson Law Firm L.L.P..... \$123.00
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
Diane Tournier v. University of Northern Iowa and the Second Injury
- E. Patterson Law Firm L.L.P..... \$80.00
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
David Boal v. University of Iowa, State of Iowa and the Second Injury Fund
- F. Patterson Law Firm L.L.P..... \$74.00
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
Angel Tew v. Department of Revenue, State of Iowa and the Second Injury Fund
- G. Patterson Law Firm L.L.P..... \$198.00
729 Insurance Exchange Building
505 Fifth Avenue
Des Moines, IA 50309-2390
William Gehle v. Iowa State Penitentiary, State of Iowa and the Second Injury Fund

Julie Pottorff, Deputy Attorney General, has reviewed these invoices and recommends payment.

- H. Iowa Communications Network \$10,967.40
On January 1, 2012 there was damage to the fiber optic cable near Manchester due to rodent chew. Request is to cover repair costs

The State Auditor's Office has reviewed the invoices and recommends payment. This represents full and final payment.

- I. Iowa Communications Network \$9,440.24
On or about July 27, 2012 ICN determined cable damage due to erosion in the Whitebreast Creek Area approximately one mile east of Lucas, Iowa on U.S. Highway 34.

The State Auditor's Office has reviewed the invoices and recommends payment. This represents full and final payment.



May 20, 2013

MEMORANDUM

TO: The Honorable Terry E. Branstad, Governor
The Honorable Matt Schultz, Secretary of State
The Honorable, Mary Mosiman, Auditor of State
The Honorable Michael L. Fitzgerald, Treasurer of State
The Honorable William H. Northey, Secretary of Agriculture & Land Stewardship

FR: Ed Holland, Division Administrator
Department of Administrative Services - HRE

RE: Annual State Police Officers Council Renewal

Enclosed please find a summary of the FY 2014 health and dental insurance renewal document for the State Police Officers Council (SPOC) insurance program. The insurance premium rates will become effective July 1, 2013.

The Department of Administrative Services, SPOC and the Department of Management have worked together with Wellmark to reduce health insurance cost increases. SPOC has bargained positive plan changes in the past and overall has members who make wise healthcare decisions. SPOC's experience over the last rating period has resulted in a little under a three percent renewal increase for the upcoming year (2.84%). There will be no Delta Dental increase for SPOC in FY 2014. The health and dental rates effective for 7/1/13 will be in effect until 12/31/13.

The Department of Administrative Services and SPOC have bargained additional plan changes that will go into effect on 1/1/14. These changes include a 20% employee contribution for all contract levels, a wellness program and incentive, additional family contract levels (employee + children and employee + spouse) as well as a different calendar-based plan year. Because of this, the rates will change for health insurance on 1/1/14. We will bring these rates to the Executive Council in the fall with the rest of the plans for the fall enrollment period.

Healthcare costs are projected to increase in the coming years. However, we will continue our efforts to manage these costs. DAS-HRE has made a number of changes in our approach to this program including carrying out a competitive bid, improving staff knowledge, and increased educational efforts. Further, working cooperatively with our benefits consultant we have strengthened our negotiating position with Wellmark. Our biggest challenge continues to be to help our employees be better consumers of health insurance products and services. They can be one of the most effective tools in our cost containment efforts.

We believe some of the changes we made during the last collective bargaining session with SPOC will assist employees in being better consumers of health insurance products and services.

The Insurance Committee approved DAS bringing these rates to the Executive Council May 16, 2013.

Requested Action:

- Approve the first half FY '14 health and dental premiums, for the State Police Officer's Council.

Note: No Deloitte Consulting comments have been provided. Given the nominal increases the State received for this renewal period no report was requested. However, the renewals were reviewed for appropriateness by Deloitte.



FY '14 SPOC Health & Dental Insurance Renewal

Department of Administrative Services

Human Resources Enterprise

Wellmark Premium Rates

SPOC HEALTH INSURANCE RATES							
Wellmark	FY '13			Percent Inc/(Dec)	FY '14 (First 6 Months)		
	Total Premium	State Share	Employee Share		Total Premium	State Share	Employee Share
Alliance (S)	\$419.05	\$419.05	\$0.00	2.8%	\$430.94	\$430.94	\$0.00
Select (F)	\$1,047.50	\$884.68	\$162.82	2.8%	\$1,077.22	\$915.64	\$161.58

Delta Dental Premium Rates

SPOC DENTAL INSURANCE RATES							
Delta Dental	FY '13			Percent Inc/(Dec)	FY '14(First 6 Months)		
	Total Premium	State Share	Employee Share		Total Premium	State Share	Employee Share
(S)	\$30.59	\$30.59	\$0.00	0.0%	\$30.59	\$30.59	\$0.00
(F)	\$76.91	\$59.37	\$17.54	0.0%	\$76.91	\$59.99	\$16.92

FY 2014 Health & Dental Recommendations (Action to Be Taken)

Approve the health and dental premiums, including the State and Employee contribution levels which were negotiated with the State Police Officer's Council (SPOC) for the time period of 7/1/13 through 12/31/13.

Estimated Actual Insurance Funding*

Annual Totals for Active Employees

Increase/Decrease in State contribution = 0.76% Increase
 Increase/Decrease in Employee contribution = 2.33% Decrease
 Increase/Decrease in total group insurance cost = 0.34% Increase

	FY 2013			FY 2014		
	State Contribution	Employee Contribution	Total Premium	State Contribution	Employee Contribution	Total Premium
Wellmark	\$5,821,519	\$890,948	\$6,712,467	\$5,875,239	\$872,548	\$6,747,787
Dental	\$396,558	\$95,979	\$492,537	\$390,124	\$91,369	\$481,493
GRAND TOTAL	\$6,218,077	\$986,927	\$7,205,004	\$6,265,363	\$963,917	\$7,229,280

Note: Enrollment total of 621 used to estimate FY 2013 costs.

Note: Enrollment total of 600 used to estimate FY 2014 costs.

The estimation assumes a full year at these premiums but the plan year for SPOC will reset as of 1/1/14 per their CBA.

THOMAS J. MILDER
ATTORNEY GENERAL

JULIE F. POTTORFF
DEPUTY ATTORNEY GENERAL



TAB # 2

Address Reply To:
1305 E. Walnut Street
Des Moines, Iowa 50319

Telephone: 515/281-3349
Fax: 515/281-4209
Julie.Pottorff@iowa.gov

Iowa Department of Justice

May 15, 2013

GeorgAnna Madsen
Executive Secretary
State Capitol
L-O-C-A-L

Re: Retention of Special Counsel

Dear GeorgAnna:

Our office requests Executive Council approval to retain special counsel to provide legal advice to the Insurance Commissioner on rulemaking obligations under the federal Patient Protection and Affordable Care Act as implemented by House File 2465 enacted during the 2012 legislative session. Rules are required for licensure and regulation of "navigators" as part of an insurance exchange. Establishment of a navigator program, in turn, must be in compliance with the Code of Federal Regulations pursuant to 45 CFR § 155.210. Our office lacks experience in these matters.

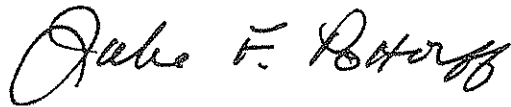
The Insurance Commissioner, Nick Gerhart, has contacted Mr. Robert B. House, Jones Walker, 190 East Capitol Street, Suite 800, Jackson, Mississippi, 39201. Jones Walker has experience with the Patient Protection and Affordable Care Act and Mr. House has specifically worked with the Mississippi Insurance Commissioner on this same rulemaking obligation. Mr. House bills at \$300 per hour and may utilize other professionals in his firm for this work, but no one in the firm will bill in excess of \$300 per hour. Attorney fees and costs will be paid from the funds of the Insurance Division.

There is some urgency in proceeding with the rules required under state and federal law. The rules must be adopted by October 1, 2013, which will require a notice of intended action to be filed no later than June 7, 2013. In order to facilitate prompt action by the firm, I have agreed to recommend that the Executive Council authorize payment of any attorney fees that may have accrued over the past ten days.

GeorgAnna Madsen
Executive Secretary
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Accordingly, our office recommends that Jones Walker be approved as special counsel to the Insurance Commissioner on rulemaking obligations under the federal Patient Protection and Affordable Care Act as implemented by House File 2465 at the rate of \$300 per hour with payment of any attorney fees that have accrued from May 10, 2013.

Sincerely,

A handwritten signature in black ink, reading "Julie F. Pottorff". The signature is written in a cursive, flowing style with a large initial "J" and "P".

JULIE F. POTTORFF
Deputy Attorney General